

# Staff Summary Report

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**Council Meeting Date:** December 04, 2003

**Agenda Item Number:** \_\_\_\_\_

**SUBJECT:** Request to award a sole source purchase for the supply and application of asphalt rubber scrub seal to International Surfacing Systems. Total cost for this contract shall not exceed \$109,000.

**DOCUMENT NAME:** 20031204fslg04      **PURCHASES (1004-01)**

**SUPPORTING DOCS:** Yes

**COMMENTS:** (04-069)

**PREPARED BY:** Lisa Goodman, Procurement Officer, 480-350-8533

**REVIEWED BY:** Donna Littrell, CPPB, Central Services Administrator, 480-350-8516

**LEGAL REVIEW BY:** Marlene Pontrelli, City Attorney, 480-350-8120

**FISCAL NOTE:** Sufficient funds have been appropriated in 5401811-6999

**RECOMMENDATION:** Award the purchase.

**ADDITIONAL INFO:** After extensive research and review, it was determined that a sole source purchase is necessary for the supply and application of asphalt rubber scrub seal. The application of scrub seal material is a proven and cost effective strategy for preserving asphalt pavement. Utilizing this strategy will avoid much costlier and disruptive street repair methods. This purchase shall cover approximately 78,200 square yards of material to be professionally applied on appropriate streets.

**APPROVED BY:** Lisa Goodman  
Procurement Officer

Tom Lopez  
Street Maintenance Superintendent

Lucy Morales  
Management Assistant I

### Sole Source Justification

I hereby submit that the services or products to be purchased are uniquely specialized or are services or products for which great acquired expertise is needed, and to the best of my knowledge International Surfacing Systems is the only person or business entity which is singularly and peculiarly qualified, or specified by a restricted-funds provider, to provide such product or services, and if a product is the only brand which is singularly and peculiarly unique, or specified by a restricted-funds provider, for the following reasons:


*The product is extremely viscous after the blending because of the relatively high percentage of rubber in the mix. A computer-controlled blender that blends the proper proportions of the mixture is necessary. The asphalt must reach a temperature of 400 degrees to get the proper reaction and requires a special heat tank that's capable of holding mixture until the blending process starts. Specially built trucks with heavy-duty pumps and uniquely designed spray bars that apply the viscous, hot asphalt rubber material are essential to the process. To mix and apply the scrub seal to the road surface one heat tank, a computer controlled blender, three spreader trucks, traffic control trucks and equipment is critical to the operation. The material is not patented but one wishing to enter the industry must expend high capital start-up costs for the specialty-engineered equipment and trucks.*

The following is a description of all efforts made to adhere to the principles of competition with respect to the products or services to be purchased. The following also describes efforts undertaken to establish and validate the requirement for a sole source procurement and for measuring fairness of price. The following also provides the reasons that competitive bidding will be detrimental and will impair value with respect to this procurement:

Describe efforts taken to establish and validate the requirement and measuring fairness of price:

*Staff members from the Public Works Department, Streets and Traffic Operations Division researched the industry and contacted other municipalities to determine that the product is unique and unavailable from any other known sources. Contacts were made to the Town of Gilbert and the City of Phoenix to verify the performance characteristics of this product and sole source provider status. Private manufactures and distributors of comparable products/services were researched and evaluated. They were not considered because of the unique and technical performance characteristics of the product. Staff compared the price with other municipalities and negotiated a discount with the supplier.*

I understand that I may be required to justify this sole source procurement before appropriate authority and that my signing this document knowing any of it to be false may subject me to administrative action.

Name  Title P.W. Manager Date 11/21/03

"A purchase may be made or contract awarded by the procurement office without competition when the using department director determines in writing, after conducting a good faith review of available sources, that there is only one reasonable and practicable source for the required material or service. The using department requesting the sole source procurement shall provide written evidence to support a sole source determination. The procurement officer will participate with the using department in the conduct of negotiations, as appropriate, to price, delivery and terms. The procurement officer may require the submission of cost or pricing data in connection with a purchase or award under this section. Sole source procurement shall be avoided, except when no reasonable alternative sources exist. A record of sole source procurements shall be maintained as a public record."

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## Memorandum

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TO: Donna Littrell, CPPB  
Central Services Administrator

FM: Glen Kephart  
Public Works Department

November 20, 2003

### SUBJECT: Sole Source Determination

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As Head of the City Department for which the needed item(s) will be purchased, I have made a determination that only one (1) reasonable and practicable source exists to supply the required material. As such, I am authorizing the City Procurement Office to work with my Department to negotiate an acceptable contract with:

International Surfacing Systems

Description of Item(s) to be purchased:

Scrub seal is a specialized pavement repair seal and application process which is a cost effective alternative to reconstructing street segments.

Refer to Requisition No. \_\_\_\_\_, dated \_\_\_\_\_ which has been transmitted to the City Procurement Office to initiate this Sole Source purchase.

My (customer) department contact for this purchase is Tom Lopez, ext. 8687.

My Sole Source determination is based upon extensive research conducted by my department as to possible suppliers for this need and a written justification is attached for City Procurement Office records.

As related to this purchase, there are no conflicts of interest, legal, ethical or preference issues which would compromise my (customer) department or this acquisition.

Department Head's Signature Glen Osgood for Glen Kephart Date 11/21/03

City Procurement Ordinance 97.55, Sec. 26A-12 identifies the basis for a sole source procurement as follows:

"A purchase may be made or contract awarded by the procurement office without competition when the using department director determines in writing, after conducting a good faith review

of available sources, that there is only one reasonable and practicable source for the required material or service. The using department requesting the sole source procurement shall provide written evidence to support a sole source determination. The procurement officer will participate with the using department in the conduct of negotiations, as appropriate, to price, delivery and terms. The procurement officer may require the submission of cost or pricing data in connection with a purchase or award under this section. Sole source procurement shall be avoided, except when no reasonable alternative sources exist. A record of sole source procurements shall be maintained as a public record."

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